SENATE JOURNAL

EIGHTY-FOURTH LEGISLATURE — REGULAR SESSION

AUSTIN, TEXAS

PROCEEDINGS

SIXTY-THIRD DAY

(Continued) (Sunday, May 31, 2015)

AFTER RECESS

The Senate met at 2:00 p.m. and was called to order by the President.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 2205 ADOPTED

Senator Seliger called from the President's table the Conference Committee Report on **HB 2205**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator Seliger, the Conference Committee Report was adopted by the following vote: Yeas 19, Nays 12.

Yeas: Bettencourt, Birdwell, Burton, Campbell, Creighton, Eltife, Estes, Fraser, Hall, Hancock, Huffines, Huffman, Kolkhorst, Lucio, Perry, Schwertner, Seliger, L. Taylor, V. Taylor.

Nays: Ellis, Garcia, Hinojosa, Menéndez, Nelson, Nichols, Rodríguez, Uresti, Watson, West, Whitmire, Zaffirini.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1630 ADOPTED

Senator Whitmire called from the President's table the Conference Committee Report on **SB 1630**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator Whitmire, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1756 ADOPTED

Senator V. Taylor called from the President's table the Conference Committee Report on **SB 1756**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator V. Taylor, the Conference Committee Report was adopted by the following vote: Yeas 29, Nays 2.

Yeas: Bettencourt, Birdwell, Burton, Campbell, Creighton, Ellis, Eltife, Estes, Fraser, Garcia, Hall, Hancock, Hinojosa, Huffines, Huffman, Kolkhorst, Lucio, Menéndez, Nelson, Nichols, Perry, Rodríguez, Schwertner, Seliger, L. Taylor, V. Taylor, Watson, West, Zaffirini.

Nays: Uresti, Whitmire.

SENATE RESOLUTION 1058

Senator Zaffirini offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, 84th Legislature, Regular Session, 2015, That Senate Rule 12.03 be suspended in part as provided by Senate Rule 12.08 to enable the conference committee appointed to resolve the differences on Senate Bill 1882 (a bill of rights for wards under guardianship) to consider and take action on the following matter:

Senate Rule 12.03(4) is suspended to permit the committee to add text on a matter which is not included in either the house or senate version of the bill by changing text in added Section 1151.351(b), Estates Code, in SECTION 1 of the bill, to read as follows:

(b) Unless limited by a court or otherwise restricted by law, a ward is authorized to the following:

Explanation: This action is necessary to clarify the authority of the ward with respect to the rights, benefits, responsibilities, or privileges delineated in added Section 1151.351(b), Estates Code.

SR 1058 was read and was adopted by the following vote: Yeas 31, Nays 0.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1882 ADOPTED

Senator Zaffirini called from the President's table the Conference Committee Report on **SB 1882**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator Zaffirini, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 4175 ADOPTED

Senator L. Taylor called from the President's table the Conference Committee Report on **HB 4175**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator L. Taylor, the Conference Committee Report was adopted by the following vote: Yeas 27, Nays 4.

Yeas: Bettencourt, Campbell, Creighton, Ellis, Eltife, Estes, Fraser, Garcia, Hancock, Hinojosa, Huffines, Huffman, Kolkhorst, Lucio, Menéndez, Nelson, Nichols, Perry, Rodríguez, Schwertner, Seliger, L. Taylor, Uresti, Watson, West, Whitmire, Zaffirini.

Nays: Birdwell, Burton, Hall, V. Taylor.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 3615 ADOPTED

Senator Zaffirini called from the President's table the Conference Committee Report on **HB 3615**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator Zaffirini, the Conference Committee Report was adopted by the following vote: Yeas 29, Nays 2.

Yeas: Bettencourt, Birdwell, Campbell, Creighton, Ellis, Eltife, Estes, Fraser, Garcia, Hall, Hancock, Hinojosa, Huffines, Huffman, Kolkhorst, Lucio, Menéndez, Nelson, Nichols, Perry, Rodríguez, Schwertner, Seliger, L. Taylor, Uresti, Watson, West, Whitmire, Zaffirini.

Nays: Burton, V. Taylor.

CONFERENCE COMMITTEE ON SENATE BILL 776 DISCHARGED

On motion of Senator Fraser and by unanimous consent, the Senate conferees on **SB 776** were discharged.

Question: Shall the Senate concur in the House amendment to SB 776?

Senator Fraser moved to concur in the House amendment to **SB** 776.

The motion prevailed by the following vote: Yeas 31, Nays 0.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1007 ADOPTED

Senator Eltife called from the President's table the Conference Committee Report on **SB 1007**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator Eltife, the Conference Committee Report was adopted by the following vote: Yeas 26, Nays 5.

Yeas: Bettencourt, Birdwell, Burton, Campbell, Creighton, Ellis, Eltife, Estes, Fraser, Hancock, Hinojosa, Huffman, Kolkhorst, Lucio, Menéndez, Nelson, Nichols, Rodríguez, Schwertner, Seliger, L. Taylor, Uresti, Watson, West, Whitmire, Zaffirini.

Nays: Garcia, Hall, Huffines, Perry, V. Taylor.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1338 ADOPTED

Senator Perry called from the President's table the Conference Committee Report on **SB 1338**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator Perry, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 824 ADOPTED

Senator Eltife called from the President's table the Conference Committee Report on **HB 824**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator Eltife, the Conference Committee Report was adopted by the following vote: Yeas 28, Nays 3.

Yeas: Bettencourt, Burton, Campbell, Creighton, Ellis, Eltife, Estes, Fraser, Garcia, Hancock, Hinojosa, Huffines, Huffman, Kolkhorst, Lucio, Menéndez, Nelson, Nichols, Rodríguez, Schwertner, Seliger, L. Taylor, V. Taylor, Uresti, Watson, West, Whitmire, Zaffirini.

Nays: Birdwell, Hall, Perry.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 551 ADOPTED

Senator Seliger called from the President's table the Conference Committee Report on **SB 551**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator Seliger, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 1559 ADOPTED

Senator L. Taylor called from the President's table the Conference Committee Report on **HB 1559**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator L. Taylor, the Conference Committee Report was adopted by the following vote: Yeas 29, Nays 2.

Yeas: Bettencourt, Birdwell, Campbell, Creighton, Ellis, Eltife, Estes, Fraser, Garcia, Hall, Hancock, Hinojosa, Huffman, Kolkhorst, Lucio, Menéndez, Nelson, Nichols, Perry, Rodríguez, Schwertner, Seliger, L. Taylor, V. Taylor, Uresti, Watson, West, Whitmire, Zaffirini.

Nays: Burton, Huffines.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 991 ADOPTED

Senator Huffines called from the President's table the Conference Committee Report on **HB 991**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator Huffines, the Conference Committee Report was adopted by the following vote: Yeas 29, Nays 1, Present-not voting 1. Yeas: Bettencourt, Birdwell, Burton, Campbell, Creighton, Ellis, Eltife, Estes, Fraser, Garcia, Hall, Hancock, Hinojosa, Huffines, Huffman, Lucio, Menéndez, Nelson, Nichols, Perry, Rodríguez, Schwertner, Seliger, L. Taylor, V. Taylor, Uresti, Watson, Whitmire, Zaffirini.

Nays: West.

Present-not voting: Kolkhorst.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 200 ADOPTED

Senator Perry called from the President's table the Conference Committee Report on **HB 200**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator Perry, the Conference Committee Report was adopted by the following vote: Yeas 30, Nays 1.

Nays: Seliger.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 632 ADOPTED

Senator Fraser called from the President's table the Conference Committee Report on **SB 632**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator Fraser, the Conference Committee Report was adopted by the following vote: Yeas 30, Nays 1.

Nays: Burton.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1964 ADOPTED

Senator Hinojosa called from the President's table the Conference Committee Report on **SB 1964**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator Hinojosa, the Conference Committee Report was adopted by the following vote: Yeas 27, Nays 4.

Yeas: Birdwell, Burton, Campbell, Creighton, Ellis, Eltife, Estes, Garcia, Hall, Hancock, Hinojosa, Huffman, Kolkhorst, Lucio, Menéndez, Nelson, Nichols, Perry, Rodríguez, Schwertner, Seliger, L. Taylor, Uresti, Watson, West, Whitmire, Zaffirini.

Nays: Bettencourt, Fraser, Huffines, V. Taylor.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 26 ADOPTED

Senator Fraser called from the President's table the Conference Committee Report on **HB 26**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator Fraser, the Conference Committee Report was adopted by the following vote: Yeas 30, Nays 1.

Nays: Burton.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 6 ADOPTED

Senator Hinojosa called from the President's table the Conference Committee Report on **HB 6**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator Hinojosa, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

SENATE RESOLUTION 1061

Senator Lucio offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, 84th Legislature, Regular Session, 2015, That Senate Rule 12.03 be suspended in part as provided by Senate Rule 12.08 to enable the conference committee appointed to resolve the differences on Senate Bill 507 (the placement and use of video cameras in self-contained classrooms or other settings providing special education services) to consider and take action on the following matter:

Senate Rule 12.03(3) is suspended to permit the committee to add text on a matter which is not in disagreement by adding the following text to SECTION 2 of the bill, in added Section 29.022(c)(1), Education Code: the inside of

Explanation: This addition is necessary to clarify that the inside of a bathroom in a self-contained classroom or other special education setting may not be monitored by video cameras.

SR 1061 was read and was adopted by the following vote: Yeas 31, Nays 0.

(Senator Huffman in Chair)

CONFERENCE COMMITTEE REPORT ON SENATE BILL 507 ADOPTED

Senator Lucio called from the President's table the Conference Committee Report on **SB 507**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator Lucio, the Conference Committee Report was adopted by the following vote: Yeas 21, Nays 10.

Yeas: Bettencourt, Birdwell, Burton, Campbell, Ellis, Eltife, Fraser, Garcia, Hancock, Hinojosa, Lucio, Menéndez, Rodríguez, Seliger, L. Taylor, V. Taylor, Uresti, Watson, West, Whitmire, Zaffirini.

Nays: Creighton, Estes, Hall, Huffines, Huffman, Kolkhorst, Nelson, Nichols, Perry, Schwertner.

REMARKS ORDERED PRINTED

On motion of Senator L. Taylor and by unanimous consent, the remarks by Senators Lucio and L. Taylor regarding **SB 507** were ordered reduced to writing and printed in the *Senate Journal* as follows:

Senator L. Taylor: Thank you, Madame President, I just wanted to ask a couple of questions for some legislative intent purposes. Senator Lucio, you would concur that it's the state's policy to mainstream special education students into traditional classrooms? That's what we're trying to do wherever we can, wherever possible, to mainstream our special education students?

Senator Lucio: That is correct, Mr. Chairman. The bill allows cameras only in classrooms and other areas that serve a majority of students who are in special education classrooms for at least half of their school day, since we do have a policy of mainstreaming. This language which was developed by TEA and other education stakeholder groups ensures that the cameras will be used only to monitor classrooms that serve mainly students that are unable to recognize or communicate that they are being abused, Mr. Chairman.

Senator L. Taylor: Okay, and so this bill, just to be more specific, does not require all classrooms or settings to have a camera installed that may only have one student present receiving special education services. Is that correct?

Senator Lucio: Yes, Mr. Chairman. Again, the main intent of this language is to cover, quote, time-out rooms, unquote, and other non-classroom areas that serve students with special needs. TEA will clarify the definition in the rulemaking process over the interim.

Senator L. Taylor: And then finally, is it true that the goal of this legislation is to protect the most vulnerable students in our Texas public schools?

Senator Lucio: That is exactly right. Time and time again, unfortunately, we have cases around the state where, you know, things happen, and some of these vulnerable students that you just mentioned are abused in one way or another. This certainly would, we hope, help deter that.

MESSAGE FROM THE HOUSE

HOUSE CHAMBER Austin, Texas Sunday, May 31, 2015 - 1

The Honorable President of the Senate Senate Chamber Austin, Texas

Mr. President:

I am directed by the house to inform the senate that the house has taken the following action:

THE HOUSE HAS PASSED THE FOLLOWING MEASURES:

HCR 143 Bonnen, Dennis

Instructing the enrolling clerk of the house to make corrections in H.B. No. 32.

HCR 145 Nevárez

Recognizing the secretary of the army for the work on the Amistad International Reservoir and the effort to continue to find funds to carry out work related to Section 4006 of the Water Resources Reform and Development Act of 2014.

THE HOUSE HAS DISCHARGED ITS CONFEREES AND CONCURRED IN SENATE AMENDMENTS TO THE FOLLOWING MEASURES:

HB 3123 (140 Yeas, 0 Nays, 2 Present, not voting)

Respectfully,

/s/Robert Haney, Chief Clerk House of Representatives

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1316 ADOPTED

Senator Watson called from the President's table the Conference Committee Report on **SB 1316**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator Watson, the Conference Committee Report was adopted by the following vote: Yeas 21, Nays 10.

Yeas: Campbell, Ellis, Eltife, Estes, Fraser, Garcia, Hall, Hinojosa, Huffman, Lucio, Menéndez, Nichols, Rodríguez, Schwertner, Seliger, L. Taylor, Uresti, Watson, West, Whitmire, Zaffirini.

Nays: Bettencourt, Birdwell, Burton, Creighton, Hancock, Huffines, Kolkhorst, Nelson, Perry, V. Taylor.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 2291 ADOPTED

Senator Perry called from the President's table the Conference Committee Report on **HB 2291**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator Perry, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

SENATE RESOLUTION 1068

Senator Hinojosa offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, 84th Legislature, Regular Session, 2015, That Senate Rule 12.03 be suspended in part as provided by Senate Rule 12.08 to enable the conference committee appointed to resolve the differences on House Bill 928 (the management of water, including the authority of certain entities to issue bonds to finance certain water resource projects) to consider and take action on the following matters:

(1) Senate Rule 12.03(4) is suspended to permit the committee to add text on a matter not included in either the house or senate version of the bill by adding proposed SECTIONS 5 and 11 to the bill, amending Section 11.139, Water Code, and governing the applicability of the amendment, to read as follows:

SECTION 5. Section 11.139, Water Code, is amended by amending Subsection (a) and adding Subsection (a-1) to read as follows:

- (a) Except as provided by Section 11.148 [of this code], the commission may grant an emergency permit, order, or amendment to an existing permit, certified filing, or certificate of adjudication after notice to the governor for an initial period of not more than 270 [120] days if the commission finds that:
- (1) emergency conditions exist which present an imminent threat to the public health and safety and which override the necessity to comply with established statutory procedures; and
- (2) there are no feasible practicable alternatives to the emergency authorization.
 - (a-1) Such emergency action may be renewed once for not longer than 60 days.

SECTION 11. The change in law made by Section 5 of this Act applies only to an application for an emergency authorization or renewal of an emergency authorization that is submitted to the Texas Commission on Environmental Quality on or after the effective date of that section. An application for an emergency authorization or renewal of an emergency authorization that is submitted to the commission before the effective date of that section is governed by the law in effect immediately before the effective date of that section, and that law is continued in effect for that purpose.

Explanation: The addition of text is necessary to extend the initial period of certain emergency authorizations to use state water issued by the Texas Commission on Environmental Quality.

(2) Senate Rules 12.03(1) and (3) are suspended to permit the committee to change, alter, or amend text and to add text on a matter not in disagreement in proposed SECTION 12 of the bill, the effective date provision of the bill, to read as follows:

SECTION 12. (a) Except as provided by Subsection (b) of this section, this Act takes effect September 1, 2015.

(b) Sections 5 and 11 of this Act take effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for those sections to have immediate effect, those sections take effect September 1, 2015.

Explanation: The change in the effective date provision is necessary to ensure that the amendment to Section 11.139, Water Code, extending the initial period of certain emergency authorizations to use state water issued by the Texas Commission on Environmental Quality, takes effect immediately if H.B. No. 928 receives a vote of two-thirds of all the members elected to each house.

(3) Senate Rule 12.03(4) is suspended to permit the committee to add text on a matter not included in either the house or senate version of the bill by adding proposed SECTION 7 to the bill, amending Section 1372.042, Government Code, to read as follows:

SECTION 7. Section 1372.042, Government Code, is amended by adding Subsection (b-1) and amending Subsection (c) to read as follows:

- (b-1) Notwithstanding Subsections (a), (a-1), and (b), an issuer shall close on bonds issued for a water resource project that is part of the state water plan or an approved initially prepared regional water plan for Regional Water Planning Area L, as designated under Section 16.053, Water Code, submitted to the Texas Water Development Board and for which a reservation was granted after August 15 not later than the 220th day after the reservation date.
- (c) Notwithstanding Subsections (a), (a-1), [and] (b), and (b-1), if the 120-day period, the 150-day period, [or] the 180-day period, or the 220-day period, as applicable, expires on or after December 24 of the year in which the reservation was granted, the issuer shall close on the bonds before December 24, except that if the applicable period expires after December 31 of that year, the issuer may notify the board in writing before December 24 of the issuer's election to carry forward the reservation and of the issuer's expected bond closing date. In compliance with the requirements of Section 146(f), Internal Revenue Code of 1986, the board shall file in a timely manner a carryforward election with respect to any bonds expected to close after December 31 to permit the bonds to close by the expected date, except that the board may not file the carryforward election after February 15 of the year following the year in which the reservation was granted. The grant of the reservation for the balance of the 120-day period, the 150-day period, [or] the 180-day period, or the 220-day period, as applicable, is automatically and immediately reinstated on the board's filing of a carryforward election with respect to the reservation.

Explanation: The addition of text is necessary to extend the deadline for closing on bonds issued for a water resource project that is part of the state water plan or an approved initially prepared regional water plan for Regional Water Planning Area L.

(4) Senate Rule 12.03(4) is suspended to permit the committee to add text on a matter not included in either the house or senate version of the bill by adding proposed SECTION 8 to the bill, amending Section 501.159, Local Government Code, to read as follows:

SECTION 8. Section 501.159, Local Government Code, is amended by adding Subsection (c) to read as follows:

(c) A corporation described by Section 501.107(a)(1) may issue bonds to finance a water resource project for Regional Water Planning Area L, as designated under Section 16.053, Water Code, that involves a minimum of 30,000 acre-feet, regardless of whether a request required by Subsection (a) has been made.

Explanation: The addition of text is necessary to allow a development corporation in certain border counties to issue bonds to finance a water resource project for Regional Water Planning Area L without a request for the project by the governing body of the development corporation or governmental unit in which the project is located.

SR 1068 was read and was adopted by the following vote: Yeas 20, Nays 11.

Yeas: Campbell, Creighton, Ellis, Eltife, Estes, Fraser, Garcia, Hinojosa, Huffines, Huffman, Kolkhorst, Lucio, Menéndez, Nelson, Rodríguez, L. Taylor, Uresti, West, Whitmire, Zaffirini.

Nays: Bettencourt, Birdwell, Burton, Hall, Hancock, Nichols, Perry, Schwertner, Seliger, V. Taylor, Watson.

MOTION TO ADOPT CONFERENCE COMMITTEE REPORT ON HOUSE BILL 928

Senator Hinojosa called from the President's table the Conference Committee Report on **HB 928**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

Senator Hinojosa moved to temporarily postpone further consideration of the Conference Committee Report.

The motion prevailed.

Question: Shall the Conference Committee Report on **HB 928** be adopted?

(President in Chair)

BILLS AND RESOLUTION SIGNED

The President announced the signing of the following enrolled bills and resolution in the presence of the Senate after the captions had been read:

SB 1, SB 206, SB 208, SB 265, SB 277, SB 496, SB 593, SB 633, SB 684, SB 699, SB 733, SB 933, SB 1101, SB 1213, SB 1243, SB 1287, SB 1296, SB 1336, SB 1406, SB 1462, SB 1474, SB 1580, SB 1727, SB 1828, SB 1876, SB 1877, SB 1934, SJR 1.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 3106 ADOPTED

Senator Creighton called from the President's table the Conference Committee Report on **HB 3106**. The corrected Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator Creighton, the Conference Committee Report was adopted by the following vote: Yeas 24, Nays 7.

Yeas: Bettencourt, Birdwell, Burton, Campbell, Creighton, Ellis, Eltife, Estes, Fraser, Hall, Hancock, Huffines, Huffman, Kolkhorst, Lucio, Nelson, Nichols, Perry, Schwertner, Seliger, L. Taylor, V. Taylor, West, Whitmire.

Nays: Garcia, Hinojosa, Menéndez, Rodríguez, Uresti, Watson, Zaffirini.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 382 ADOPTED

Senator Lucio called from the President's table the Conference Committee Report on **HB 382**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator Lucio, the Conference Committee Report was adopted by the following vote: Yeas 23, Nays 8.

Yeas: Bettencourt, Ellis, Eltife, Estes, Fraser, Garcia, Hinojosa, Huffines, Huffman, Kolkhorst, Lucio, Menéndez, Nelson, Nichols, Rodríguez, Schwertner, Seliger, L. Taylor, V. Taylor, Uresti, West, Whitmire, Zaffirini.

Nays: Birdwell, Burton, Campbell, Creighton, Hall, Hancock, Perry, Watson.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 3736 ADOPTED

Senator Huffman called from the President's table the Conference Committee Report on **HB 3736**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator Huffman, the Conference Committee Report was adopted by the following vote: Yeas 28, Nays 3.

Yeas: Bettencourt, Birdwell, Burton, Campbell, Creighton, Ellis, Eltife, Estes, Fraser, Hall, Hancock, Hinojosa, Huffines, Huffman, Kolkhorst, Lucio, Menéndez, Nelson, Nichols, Perry, Schwertner, Seliger, L. Taylor, V. Taylor, Uresti, West, Whitmire, Zaffirini.

Nays: Garcia, Rodríguez, Watson.

SENATE RESOLUTION 1065

Senator L. Taylor offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, 84th Legislature, Regular Session, 2015, That Senate Rule 12.03 be suspended in part as provided by Senate Rule 12.08 to enable the conference committee appointed to resolve the differences on House Bill 1905 (certain state and local taxes, including ad valorem taxes, and the repeal of certain of those taxes) to consider and take action on the following matters:

(1) Senate Rule 12.03(4) is suspended to permit the committee to add text on matters not included in either the house or senate version of the bill by adding the following new provisions to the bill:

SECTION 3. Section 2001.103(d), Occupations Code, is amended to read as follows:

- (d) An organization operating under a temporary license is subject to:
 - (1) the [taxes and] fees authorized or imposed by this chapter; and
- (2) the other provisions of this chapter to the extent they can be made applicable.

SECTION 4. Section 2001.312, Occupations Code, is amended to read as follows:

Sec. 2001.312. FAILURE TO FILE [TAX OR] FEE REPORTS. A person is not eligible for a license or a license renewal unless all required reports [, tax returns,] and requested information have been filed under this chapter.

SECTION 5. Section 2001.355(b), Occupations Code, is amended to read as follows:

- (b) Before temporarily suspending a license, the director of bingo operations must follow any prehearing rules adopted by the commission to determine if the license holder's continued operation may constitute:
- (1) an immediate threat to the health, safety, morals, or welfare of the public; or
- (2) a financial loss to this state, which includes a license holder's failure to remit [taxes under Section 2001.501 or] prize fee payments under Section 2001.502 to the commission as required by that section [those sections].

SECTION 6. Section 2001.437(a), Occupations Code, is amended to read as follows:

- (a) If the unit accounting agreement of a unit states that a unit manager is responsible for compliance with commission rules and this chapter, the unit manager is responsible for:
- (1) the filing of one quarterly report for the unit on a form prescribed by the commission; and
- (2) the payment of [taxes and] fees and the maintenance of the bingo inventory and financial records of the unit.

SECTION 7. Section 2001.438(f), Occupations Code, is amended to read as follows:

- (f) Each licensed authorized organization that is a member of the unit shall be jointly and severally liable for:
- (1) compliance with the requirements of this subchapter and the rules of the commission relating to the filing of required reports;
 - (2) the maintenance of bingo inventory and financial records; and
- (3) the payment of [taxes,] fees [,] and any penalties imposed for a violation of this subchapter or commission rules related to the operations of the unit.

SECTION 8. The heading to Subchapter K, Chapter 2001, Occupations Code, is amended to read as follows:

SUBCHAPTER K. [TAXES AND] PRIZE FEES

SECTION 9. Section 2001.504, Occupations Code, is amended to read as follows:

- Sec. 2001.504. PAYMENT AND REPORTING OF [TAX OR] FEE. (a) A [tax or] fee on prizes authorized or imposed under this subchapter is due and is payable by the license holder or a person conducting bingo without a license to the commission quarterly on or before the 25th day of the month succeeding each calendar quarter.
- (b) The report of the [a tax or] fee on prizes must be filed under oath on forms prescribed by the commission.
- (c) The commission shall adopt rules for the payment of the fee on prizes [taxes and fees].
- (d) A license holder required to file a report of the fee on prizes [tax return] shall deliver the quarterly report [return] with the net amount of the fee [tax] due to the commission.
- [(e) The commission shall deposit the revenue collected under this section to the eredit of the general revenue fund.]

SECTION 10. Section 2001.508, Occupations Code, is amended to read as follows:

- Sec. 2001.508. PENALTIES FOR FAILURE TO PAY OR REPORT. (a) If a person fails to file a report of the fee on prizes [return] as required by this chapter or fails to pay to the commission the fee on prizes [taxes] imposed under this chapter when the report [return] or payment is due, the person forfeits five percent of the amount due as a penalty, and after the first 30 days, the person forfeits an additional five percent.
- (b) A delinquent payment of the fee on prizes [tax] accrues interest at the rate provided by Section 111.060, Tax Code, beginning on the 60th day after the due date.

SECTION 11. Section 2001.509, Occupations Code, is amended to read as follows:

Sec. 2001.509. RECOMPUTATION OF <u>PRIZE FEE</u> [TAX]. If the commission is not satisfied with a <u>report of the fee on prizes</u> [tax return] or the amount of <u>the fee on prizes</u> [tax] required to be remitted under this chapter to the state by a person, the commission may compute and determine the amount required to be paid on the basis of:

- (1) the facts contained in the <u>report of the fee on prizes</u> [return] or report of receipts and expenses; or
- (2) any information possessed by the commission or that may come into the possession of the commission, without regard to the period covered by the information.

SECTION 12. The heading to Section 2001.510, Occupations Code, is amended to read as follows:

Sec. 2001.510. DETERMINATION IF NO REPORT [RETURN] MADE.

SECTION 13. Sections 2001.510(a) and (c), Occupations Code, are amended to read as follows:

- (a) If a license holder fails to make a required report of the fee on prizes [return], or if a person conducts bingo without a license, the commission shall make an estimate of the prizes awarded at a bingo occasion [or of the gross rentals received by a license holder for the rental of premises]. The commission shall make the estimate for the period in respect to which the license holder or other person failed to make a report [return].
- (c) On the basis of the commission's estimate, the commission shall compute and determine the amount of the fee on prizes [taxes or fees] required to be paid to the state and shall add to that amount a penalty of 10 percent of the amount.

SECTION 14. Sections 2001.511(a) and (c), Occupations Code, are amended to read as follows:

- (a) If the commission believes that the collection of the [a gross rental tax or] fee on prizes, an amount of the [tax or] fee on prizes required to be remitted to the state, or the amount of a determination will be jeopardized by delay, the commission shall make a determination of the [tax or] fee on prizes or amount of the [tax or] fee required to be collected, noting the finding of jeopardy on the determination. The determined amount is due and payable immediately.
- (c) A delinquency penalty of 10 percent of the [tax or] fee on prizes or amount of the [tax or] fee on prizes and interest at the rate of 10 percent a year attaches to the amount of the [tax or] fee on prizes or the amount of the [tax or] fee on prizes required to be collected.

SECTION 15. Section 2001.512, Occupations Code, is amended to read as follows:

Sec. 2001.512. APPLICATION OF TAX LAWS. (a) Subtitle B, Title 2, Tax Code, applies to the administration, collection, and enforcement of [the gross rentals tax imposed under Section 2001.501 and] the fee on prizes imposed under Section 2001.502 except as modified by this chapter.

(b) In applying the provisions of Subtitle B, Title 2, Tax Code, to [the gross rentals tax imposed under Section 2001.501 and] the fee on prizes imposed under Section 2001.502 only, the fee on prizes is treated as if it were a tax and the powers and duties assigned to the comptroller under that subtitle are assigned to the commission.

SECTION 16. Section 2001.513(a), Occupations Code, is amended to read as follows:

(a) At any time within three years after a person is delinquent in the payment of an amount of the [gross rentals tax or] fee on prizes, the commission may collect the amount under this section.

SECTION 17. Sections 2001.514(a), (c), and (d), Occupations Code, are amended to read as follows:

- (a) To secure payment of [the tax on gross rentals or] the fee on prizes imposed under this subchapter, each license holder shall furnish to the commission:
 - (1) a cash bond;
- (2) a bond from a surety company chartered or authorized to do business in this state;
 - (3) certificates of deposit;
 - (4) certificates of savings;
 - (5) United States treasury bonds;
- (6) subject to the approval of the commission, an assignment of negotiable stocks or bonds; or
 - (7) other security as the commission considers sufficient.
- (c) On a license holder's failure to pay [the gross rentals tax or] the fee on prizes imposed under this subchapter, the commission may notify the license holder and any surety of the delinquency by jeopardy or deficiency determination. If payment is not made when due, the commission may forfeit all or part of the bond or security.
- (d) If the license holder ceases to conduct bingo and relinquishes the license holder's license, the commission shall authorize the release of all bonds and other security on a determination that no amounts of [the gross rentals tax or] the fee on prizes remain due and payable under this subchapter.

SECTION 18. Section 2001.515, Occupations Code, is amended to read as follows:

Sec. 2001.515. COMMISSION'S [TAX] DUTIES. The commission shall perform all functions incident to the administration, collection, enforcement, and operation of the fee on prizes [a tax] imposed under this subchapter.

SECTION 19. (a) Subchapter B, Chapter 11, Tax Code, is amended by adding Section 11.211 to read as follows:

- Sec. 11.211. REAL PROPERTY LEASED TO CERTAIN SCHOOLS. A person is entitled to an exemption from taxation of the real property that the person owns and leases to a school that is qualified as provided by Section 11.21(d) if:
- (1) the real property is used exclusively by the school for educational functions;
 - (2) the real property is reasonably necessary for the operation of the school;

- (3) the owner certifies by affidavit to the school that the rent for the lease of the real property will be reduced by an amount equal to the amount by which the taxes on the property are reduced as a result of the exemption;
- (4) the owner provides the school with a disclosure document stating the amount by which the taxes on the real property are reduced as a result of the exemption and the method the owner will implement to ensure that the rent charged for the lease of the property fully reflects that reduction; and
- (5) the rent charged for the lease of the real property reflects the reduction in the amount of taxes on the property resulting from the exemption through a monthly or annual credit against the rent.
- (b) This section applies only to ad valorem taxes imposed for a tax year beginning on or after the effective date of this section.
- SECTION 20. (a) Section 11.231, Tax Code, is amended by adding Subsection (a-1) to read as follows:
- (a-1) In addition to an organization described by Subsection (a), in this section, "nonprofit community business organization" also means a Type A corporation governed by Chapter 504, Local Government Code, and a Type B corporation governed by Chapter 505, Local Government Code.
- (b) This section applies only to ad valorem taxes imposed for a tax year that begins on or after the effective date of this section.
- SECTION 21. Section 151.314, Tax Code, is amended by amending Subsections (b-1), (c-2), and (h) and adding Subsection (c-4) to read as follows:
 - (b-1) For purposes of this section, "snack items" means [includes]:
- (1) breakfast bars, granola bars, nutrition bars, sports bars, protein bars, or yogurt bars, unless labeled and marketed as candy;
 - (2) snack mix or trail mix;
 - (3) nuts, but not including pine nuts or [unless] candy-coated nuts;
 - (4) popcorn; [and]
 - (5) chips, crackers, [or] hard pretzels, pork rinds, or corn nuts;
 - (6) sunflower seeds or pumpkin seeds;
 - (7) ice cream, sherbet, or frozen yogurt; and
- (8) ice pops, juice pops, sorbet, or other frozen fruit items containing not more than 50 percent fruit juice by volume.
- (c-2) The exemption provided by Subsection (a) does not include the following prepared food:
- (1) food, food products, and drinks, including meals, milk and milk products, fruit and fruit products, sandwiches, salads, processed meats and seafoods, vegetable juice, and ice cream in cones or small cups, served, prepared, or sold ready for immediate consumption [in or] by restaurants, lunch counters, cafeterias, delis, vending machines, hotels, or like places of business or sold ready for immediate consumption from pushcarts, motor vehicles, or any other form of vehicle;
 - (2) food sold in a heated state or heated by the seller; or
- (3) two or more food ingredients mixed or combined by the seller for sale as a single item, including items that are sold in an unheated state by weight or volume as a single item, but not including food that is only cut, repackaged, or pasteurized by the seller.

- (c-4) For purposes of Subdivision (c-2)(1), if a grocery store or convenience store contains a type of location listed in that subdivision, the store is considered a like place of business for purposes of that subdivision, but only in relation to items sold at that location.
- (h) The exemption provided by Subsection (a) does not apply to a snack item if the item is sold through a vending machine or is sold in individual-sized portions. For purposes of this subsection, an individual-sized portion is a portion that:
 - (1) is labeled as having not more than one serving; or
- (2) contains less than 2.5 ounces[, if the package does not specify the number of servings].

SECTION 22. (a) Section 156.001, Tax Code, is amended to read as follows:

- Sec. 156.001. <u>DEFINITIONS</u> [<u>DEFINITION</u>]. (a) In this chapter, "hotel" means a building in which members of the public obtain sleeping accommodations for consideration. The term includes a hotel, motel, tourist home, tourist house, tourist court, lodging house, inn, rooming house, or bed and breakfast. The term does not include:
 - (1) a hospital, sanitarium, or nursing home;
- (2) a dormitory or other housing facility owned or leased and operated by an institution of higher education or a private or independent institution of higher education as those terms are defined by Section 61.003, Education Code, used by the institution for the purpose of providing sleeping accommodations for persons engaged in an educational program or activity at the institution; or
 - (3) an oilfield portable unit, as defined by Section 152.001.
- (b) For purposes of the imposition of a hotel occupancy tax under this chapter, Chapter 351 or 352, or other law, "hotel" includes a short-term rental. In this subsection, "short-term rental" means the rental of all or part of a residential property to a person who is not a permanent resident under Section 156.101.
 - (b) The heading to Section 351.005, Tax Code, is amended to read as follows:
- Sec. 351.005. REIMBURSEMENT FOR [TAX COLLECTION] EXPENSES OF TAX COLLECTION AND USE OF ELECTRONIC TAX ADMINISTRATION SYSTEM.
 - (c) Section 351.005(a), Tax Code, is amended to read as follows:
- (a) A municipality may permit a person who is required to collect and pay over to the municipality the tax authorized by this chapter not more than one percent of the amount collected and required to be reported as reimbursement to the person for the costs in collecting the tax and, if applicable, the use of an electronic tax administration system described by Section 351.1012.
- (d) Subchapter B, Chapter 351, Tax Code, is amended by adding Section 351.1012 to read as follows:
- Sec. 351.1012. ELECTRONIC TAX ADMINISTRATION SYSTEM. (a) Notwithstanding any other provision of this chapter, a municipality may spend not more than one percent of the revenue derived from the tax authorized by this chapter for the creation, maintenance, operation, and administration of an electronic tax administration system.
- (b) A municipality may contract with a third party to assist in the creation, maintenance, operation, or administration of the electronic tax administration system.

- (e) The amendments made by this section to Section 156.001, Tax Code, are a clarification of existing law and do not imply that existing law may be construed as inconsistent with the law as amended by this section.
- (f) This section takes effect immediately if this Act receives a vote of two-thirds of all the members elected to each house, as provided by Section 39, Article III, Texas Constitution. If this Act does not receive the vote necessary for this section to have immediate effect, this section takes effect September 1, 2015.

SECTION 24. Section 162.104(a), Tax Code, is amended to read as follows:

- (a) The tax imposed by this subchapter does not apply to gasoline:
- (1) sold to the United States for its exclusive use, provided that the exemption does not apply with respect to fuel sold or delivered to a person operating under a contract with the United States;
- (2) sold to a public school district in this state for the district's exclusive use;
- (3) sold to a commercial transportation company or a metropolitan rapid transit authority operating under Chapter 451, Transportation Code, that provides public school transportation services to a school district under Section 34.008, Education Code, and that uses the gasoline only to provide those services;
- (4) exported by either a licensed supplier or a licensed exporter from this state to any other state, provided that:
- (A) for gasoline in a situation described by Subsection (d), the bill of lading indicates the destination state and the supplier collects the destination state tax; or
- (B) for gasoline in a situation described by Subsection (e), the bill of lading indicates the destination state, the gasoline is subsequently exported, and the exporter is licensed in the destination state to pay that state's tax and has an exporter's license issued under this subchapter;
- (5) moved by truck or railcar between licensed suppliers or licensed permissive suppliers and in which the gasoline removed from the first terminal comes to rest in the second terminal, provided that the removal from the second terminal rack is subject to the tax imposed by this subchapter;
- (6) delivered or sold into a storage facility of a licensed aviation fuel dealer from which gasoline will be delivered solely into the fuel supply tanks of aircraft or aircraft servicing equipment, or sold from one licensed aviation fuel dealer to another licensed aviation fuel dealer who will deliver the aviation fuel exclusively into the fuel supply tanks of aircraft or aircraft servicing equipment;
- (7) exported to a foreign country if the bill of lading indicates the foreign destination and the fuel is actually exported to the foreign country; [or]
- (8) sold to a volunteer fire department in this state for the department's exclusive use; or
- (9) sold to a nonprofit entity that is organized for the sole purpose of and engages exclusively in providing emergency medical services and that uses the gasoline exclusively to provide emergency medical services, including rescue and ambulance services.

SECTION 25. Section 162.125, Tax Code, is amended by adding Subsection (g-2) to read as follows:

(g-2) A nonprofit entity exempted under Section 162.104(a)(9) from the tax imposed under this subchapter that paid tax on the purchase of gasoline is entitled to a refund of the tax paid, and the entity may file a refund claim with the comptroller for that amount.

SECTION 26. Section 162.204(a), Tax Code, is amended to read as follows:

- (a) The tax imposed by this subchapter does not apply to:
- (1) diesel fuel sold to the United States for its exclusive use, provided that the exemption does not apply to diesel fuel sold or delivered to a person operating under a contract with the United States;
- (2) diesel fuel sold to a public school district in this state for the district's exclusive use;
- (3) diesel fuel sold to a commercial transportation company or a metropolitan rapid transit authority operating under Chapter 451, Transportation Code, that provides public school transportation services to a school district under Section 34.008, Education Code, and that uses the diesel fuel only to provide those services;
- (4) diesel fuel exported by either a licensed supplier or a licensed exporter from this state to any other state, provided that:
- (A) for diesel fuel in a situation described by Subsection (d), the bill of lading indicates the destination state and the supplier collects the destination state tax; or
- (B) for diesel fuel in a situation described by Subsection (e), the bill of lading indicates the destination state, the diesel fuel is subsequently exported, and the exporter is licensed in the destination state to pay that state's tax and has an exporter's license issued under this subchapter;
- (5) diesel fuel moved by truck or railcar between licensed suppliers or licensed permissive suppliers and in which the diesel fuel removed from the first terminal comes to rest in the second terminal, provided that the removal from the second terminal rack is subject to the tax imposed by this subchapter;
- (6) diesel fuel delivered or sold into a storage facility of a licensed aviation fuel dealer from which the diesel fuel will be delivered solely into the fuel supply tanks of aircraft or aircraft servicing equipment, or sold from one licensed aviation fuel dealer to another licensed aviation fuel dealer who will deliver the diesel fuel exclusively into the fuel supply tanks of aircraft or aircraft servicing equipment;
- (7) diesel fuel exported to a foreign country if the bill of lading indicates the foreign destination and the fuel is actually exported to the foreign country;
- (8) dyed diesel fuel sold or delivered by a supplier to another supplier and dyed diesel fuel sold or delivered by a supplier or distributor into the bulk storage facility of a dyed diesel fuel bonded user or to a purchaser who provides a signed statement as provided by Section 162.206;
- (9) the volume of water, fuel ethanol, renewable diesel, biodiesel, or mixtures thereof that are blended together with taxable diesel fuel when the finished product sold or used is clearly identified on the retail pump, storage tank, and sales invoice as a combination of diesel fuel and water, fuel ethanol, renewable diesel, biodiesel, or mixtures thereof;

- (10) dyed diesel fuel sold by a supplier or permissive supplier to a distributor, or by a distributor to another distributor;
- (11) dyed diesel fuel delivered by a license holder into the fuel supply tanks of railway engines, motorboats, or refrigeration units or other stationary equipment powered by a separate motor from a separate fuel supply tank;
- (12) dyed kerosene when delivered by a supplier, distributor, or importer into a storage facility at a retail business from which all deliveries are exclusively for heating, cooking, lighting, or similar nonhighway use;
- (13) diesel fuel used by a person, other than a political subdivision, who owns, controls, operates, or manages a commercial motor vehicle as defined by Section 548.001, Transportation Code, if the fuel:
- (A) is delivered exclusively into the fuel supply tank of the commercial motor vehicle; and
- (B) is used exclusively to transport passengers for compensation or hire between points in this state on a fixed route or schedule; [or]
- (14) diesel fuel sold to a volunteer fire department in this state for the department's exclusive use; or
- (15) diesel fuel sold to a nonprofit entity that is organized for the sole purpose of and engages exclusively in providing emergency medical services and that uses the diesel fuel exclusively to provide emergency medical services, including rescue and ambulance services.

SECTION 27. Section 162.227, Tax Code, is amended by adding Subsection (f-2) to read as follows:

(f-2) A nonprofit entity exempted under Section 162.204(a)(15) from the tax imposed under this subchapter that paid tax on the purchase of diesel fuel is entitled to a refund of the tax paid, and the entity may file a refund claim with the comptroller for that amount.

SECTION 36. The following are repealed:

. . .

(2) Section 2001.501, Occupations Code;

Explanation: The additions are necessary to repeal certain taxes and to address the application and administration of certain other taxes.

(2) Senate Rule 12.03(4) is suspended to permit the committee to add text on a matter not included in either the house or senate version of the bill by adding the following text to SECTION 28 of the bill, in added Section 162.356(a)(9), Tax Code: a motor vehicle operated exclusively by a nonprofit entity that is organized for the sole purpose of and engages exclusively in providing emergency medical services and that uses the fuel exclusively to provide emergency medical services, including rescue and ambulance services;

Explanation: The change is necessary to provide an exemption from the tax imposed on compressed natural gas or liquefied natural gas for certain nonprofit entities.

(3) Senate Rule 12.03(4) is suspended to permit the committee to add text on a matter not included in either the house or senate version of the bill by adding the following text to SECTION 29 of the bill, in added Section 162.365(a)(10), Tax Code:

(10) is a nonprofit entity that is organized for the sole purpose of and engages exclusively in providing emergency medical services and the fuel was delivered into the fuel supply tank of a motor vehicle operated exclusively by the nonprofit entity to provide emergency medical services, including rescue and ambulance services.

Explanation: The change is necessary to allow for a credit on a tax return or an application for a refund for tax paid on compressed natural gas or liquefied natural gas by certain nonprofit entities.

(4) Senate Rule 12.03(1) is suspended to permit the committee to amend text not in disagreement in proposed SECTION 39 of the bill to read as follows:

SECTION 39. (a) Except as otherwise provided by this Act, this Act takes effect September 1, 2015.

- (b) Section 19 of this Act takes effect January 1, 2016, but only if a constitutional amendment authorizing the legislature to exempt from ad valorem taxation real property leased to certain schools organized and operated primarily for the purpose of engaging in educational functions is approved by the voters. If that amendment is not approved by the voters, Section 19 of this Act has no effect.
 - (c) Section 20 of this Act takes effect January 1, 2016.

Explanation: The change is necessary to provide for different effective dates for certain provisions in the bill.

SR 1065 was read and was adopted by the following vote: Yeas 17, Nays 14.

Yeas: Birdwell, Campbell, Eltife, Hall, Hancock, Hinojosa, Huffines, Huffman, Kolkhorst, Lucio, Menéndez, Nelson, Nichols, Schwertner, L. Taylor, Uresti, Whitmire.

Nays: Bettencourt, Burton, Creighton, Ellis, Estes, Fraser, Garcia, Perry, Rodríguez, Seliger, V. Taylor, Watson, West, Zaffirini.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 1905 ADOPTED

Senator L. Taylor called from the President's table the Conference Committee Report on **HB 1905**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator L. Taylor, the Conference Committee Report was adopted by the following vote: Yeas 17, Nays 14.

Yeas: Birdwell, Campbell, Eltife, Hall, Hancock, Hinojosa, Huffines, Huffman, Kolkhorst, Lucio, Menéndez, Nelson, Nichols, Schwertner, L. Taylor, Uresti, Whitmire.

Nays: Bettencourt, Burton, Creighton, Ellis, Estes, Fraser, Garcia, Perry, Rodríguez, Seliger, V. Taylor, Watson, West, Zaffirini.

SENATE RESOLUTION 1064

Senator Hancock offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, 84th Legislature, Regular Session, 2015, That Senate Rule 12.03 be suspended in part as provided by Senate Rule 12.08 to enable the conference committee appointed to resolve the differences on House Bill 1295 (the disclosure of research, research sponsors, and interested parties by persons contracting with governmental entities and state agencies) to consider and take action on the following matter:

Senate Rule 12.03(4) is suspended to permit the committee to add text on a matter not included in either the house or senate version of the bill by adding, in SECTION 2 of the bill, proposed Sections 51.955(b) and (c), Education Code, as follows:

- (b) A state agency that expends appropriated funds may not:
- (1) enter into a research contract with an institution of higher education if that contract contains a provision precluding public disclosure of any final data generated or produced in the course of executing the contract unless the agency reasonably determines that the premature disclosure of such data would adversely affect public safety, the protection of intellectual property rights of the institution of higher education, publication rights in professional scientific publications, or valuable confidential information of the institution of higher education or a third party; or
- (2) adopt a rule that is based on research conducted under a contract entered into with an institution of higher education unless the agency:
- (A) has made the results of the research and all data supporting the research publicly available; or
- (B) reasonably determines that the premature disclosure of such data would adversely affect public safety, the protection of intellectual property rights of the institution of higher education, publication rights in professional scientific publications, or valuable confidential information of the institution of higher education or a third party.
- (c) Subsection (b)(1) does not apply to a research contract between an institution of higher education and the Cancer Prevention and Research Institute of Texas.

Explanation: The change is necessary to protect public safety, certain intellectual property and publication rights, and certain valuable confidential information and to exempt the Cancer Prevention and Research Institute of Texas from disclosure of final data generated or produced in the course of executing a contract with an institution of higher education.

SR 1064 was read and was adopted by the following vote: Yeas 31, Nays 0.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 1295 ADOPTED

Senator Hancock called from the President's table the Conference Committee Report on **HB 1295**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator Hancock, the Conference Committee Report was adopted by the following vote: Yeas 30, Nays 1.

Nays: Huffines.

MOTION TO ADOPT CONFERENCE COMMITTEE REPORT ON HOUSE BILL 2162

Senator Campbell called from the President's table the Conference Committee Report on **HB 2162**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

Senator Campbell moved to adopt the Conference Committee Report on **HB 2162**. The motion was lost by the following vote: Yeas 10, Nays 21.

Yeas: Birdwell, Campbell, Ellis, Eltife, Lucio, Nelson, Nichols, Schwertner, Watson, Zaffirini.

Nays: Bettencourt, Burton, Creighton, Estes, Fraser, Garcia, Hall, Hancock, Hinojosa, Huffines, Huffman, Kolkhorst, Menéndez, Perry, Rodríguez, Seliger, L. Taylor, V. Taylor, Uresti, West, Whitmire.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 1396 ADOPTED

Senator Burton called from the President's table the Conference Committee Report on **HB 1396**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator Burton, the Conference Committee Report was adopted by the following vote: Yeas 30, Nays 1.

Nays: Huffman.

MESSAGE FROM THE HOUSE

HOUSE CHAMBER Austin, Texas Sunday, May 31, 2015 - 2

The Honorable President of the Senate Senate Chamber Austin, Texas

Mr. President:

I am directed by the house to inform the senate that the house has taken the following action:

THE HOUSE HAS ADOPTED THE FOLLOWING CONFERENCE COMMITTEE REPORTS:

HB 382 (144 Yeas, 0 Nays, 2 Present, not voting)

HB 483 (140 Yeas, 4 Nays, 2 Present, not voting)

HB 1585 (99 Yeas, 44 Nays, 2 Present, not voting)

HB 1915 (126 Yeas, 15 Nays, 2 Present, not voting)

HB 2019 (117 Yeas, 25 Nays, 2 Present, not voting)

HB 2150 (86 Yeas, 57 Nays, 2 Present, not voting)

HB 2633 (144 Yeas, 0 Nays, 1 Present, not voting)

HB 2641 (127 Yeas, 17 Nays, 2 Present, not voting)

HB 2645 (143 Yeas, 1 Nays, 2 Present, not voting)

HB 2968 (124 Yeas, 19 Nays, 2 Present, not voting)

HB 3535 (79 Yeas, 63 Nays, 3 Present, not voting)

SB 11 (98 Yeas, 47 Nays, 1 Present, not voting)

SB 20 (140 Yeas, 2 Nays, 2 Present, not voting)

SB 1071 (142 Yeas, 0 Nays, 2 Present, not voting)

SB 1139 (140 Yeas, 2 Nays, 3 Present, not voting)

SB 1191 (107 Yeas, 35 Nays, 2 Present, not voting)

Respectfully,

/s/Robert Haney, Chief Clerk House of Representatives

HOUSE CONCURRENT RESOLUTION 138

The President laid before the Senate the following resolution:

WHEREAS, House Bill No. 1919 has been adopted by the house of representatives and the senate and is being prepared for enrollment; and

WHEREAS, The bill contains technical errors that should be corrected; now, therefore, be it

RESOLVED by the 84th Legislature of the State of Texas, Regular Session, That the enrolling clerk of the house of representatives be instructed to make the following correction:

In added Section 66.0072(g)(3)(E), Parks and Wildlife Code, strike "fish or shellfish" and substitute "aquatic plant".

ESTES

HCR 138 was read.

On motion of Senator Estes and by unanimous consent, the resolution was considered immediately and was adopted by the following vote: Yeas 31, Nays 0.

HOUSE CONCURRENT RESOLUTION 143

The President laid before the Senate the following resolution:

WHEREAS, House Bill No. 32 has been adopted by the house of representatives and the senate and is being prepared for enrollment; and

WHEREAS, The bill contains a technical error that should be corrected; now, therefore, be it

RESOLVED by the 84th Legislature of the State of Texas, That the enrolling clerk of the house of representatives be instructed to correct House Bill No. 32, in SECTION 1(a) of the bill, by striking "Franchise Tax Repeal Act of 2015" and substituting "Franchise Tax Reduction Act of 2015".

NELSON

HCR 143 was read.

On motion of Senator Nelson and by unanimous consent, the resolution was considered immediately and was adopted by the following vote: Yeas 31, Nays 0.

HOUSE CONCURRENT RESOLUTION 144

The President laid before the Senate the following resolution:

WHEREAS, House Bill No. 2404 has been adopted by the house of representatives and the senate and is being prepared for enrollment; and

WHEREAS, The bill contains technical errors that should be corrected; now, therefore, be it

RESOLVED by the 84th Legislature of the State of Texas, That the enrolling clerk of the house of representatives be instructed to correct House Bill No. 2404 in SECTION 5 of the bill by striking the effective date of September 1, 2015, and substituting the effective date of January 1, 2016.

ELTIFE

HCR 144 was read.

On motion of Senator Eltife and by unanimous consent, the resolution was considered immediately and was adopted by the following vote: Yeas 31, Nays 0.

RECESS

On motion of Senator Whitmire, the Senate at 5:39 p.m. recessed until 9:00 p.m. today.

AFTER RECESS

The President called the Senate to order.

MESSAGE FROM THE HOUSE

HOUSE CHAMBER Austin, Texas Sunday, May 31, 2015 - 3

The Honorable President of the Senate Senate Chamber Austin, Texas

Mr. President:

I am directed by the house to inform the senate that the house has taken the following action:

THE HOUSE HAS PASSED THE FOLLOWING MEASURES:

HCR 126 Craddick

Honoring former Midland mayor Ernest Angelo Jr. for his civic contributions and professional accomplishments.

HCR 146 Craddick

Congratulating Charles and Margaret Semple of Midland on their 50th wedding anniversary.

HCR 147 Keough

Instructing the enrolling clerk of the house to make corrections to H.B. 3184

SCR 52 Taylor, Van

Recognizing Jerry and Barbara Madden on the occasion of their 50th wedding anniversary.

THE HOUSE HAS ADOPTED THE FOLLOWING CONFERENCE COMMITTEE REPORTS:

HB 6 (142 Yeas, 1 Nays, 2 Present, not voting)

HB 15 (144 Yeas, 0 Nays, 2 Present, not voting)

HB 18 (135 Yeas, 8 Nays, 2 Present, not voting)

HB 26 (132 Yeas, 7 Nays, 2 Present, not voting)

HB 408 (143 Yeas, 1 Nays, 2 Present, not voting)

HB 743 (143 Yeas, 1 Nays, 1 Present, not voting)

HB 824 (144 Yeas, 0 Nays, 2 Present, not voting)

HB 928 (136 Yeas, 8 Nays, 2 Present, not voting)

HB 991 (143 Yeas, 0 Nays, 2 Present, not voting)

HB 1295 (144 Yeas, 0 Nays, 2 Present, not voting)

HB 1305 (141 Yeas, 0 Nays, 2 Present, not voting)

HB 1396 (141 Yeas, 2 Nays, 2 Present, not voting)

HB 1559 (138 Yeas, 6 Nays, 2 Present, not voting)

HB 1842 (125 Yeas, 18 Nays, 2 Present, not voting)

HB 1905 (132 Yeas, 9 Nays, 2 Present, not voting)

HB 2205 (125 Yeas, 16 Nays, 2 Present, not voting)

HB 2291 (143 Yeas, 0 Nays, 2 Present, not voting)

HB 2804 (119 Yeas, 17 Nays, 2 Present, not voting)

HB 3106 (128 Yeas, 14 Nays, 2 Present, not voting)

HB 3405 (143 Yeas, 1 Nays, 1 Present, not voting)

HB 3615 (118 Yeas, 20 Nays, 2 Present, not voting)

HB 3736 (141 Yeas, 0 Nays, 2 Present, not voting)

HB 4175 (126 Yeas, 4 Nays, 2 Present, not voting)

SB 313 (86 Yeas, 50 Nays, 2 Present, not voting)

SB 507 (140 Yeas, 0 Nays, 3 Present, not voting)

SB 523 (141 Yeas, 2 Nays, 2 Present, not voting)

SB 551 (142 Yeas, 0 Nays, 2 Present, not voting)

SB 632 (138 Yeas, 5 Nays, 2 Present, not voting)

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SB 1007 (114 Yeas, 27 Nays, 2 Present, not voting)
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SB 1316 (120 Yeas, 22 Nays, 3 Present, not voting)

SB 1338 (142 Yeas, 0 Nays, 2 Present, not voting)

SB 1465 (139 Yeas, 2 Nays, 2 Present, not voting)

SB 1630 (137 Yeas, 7 Nays, 2 Present, not voting)

SB 1756 (142 Yeas, 0 Nays, 2 Present, not voting)

SB 1882 (141 Yeas, 1 Nays, 2 Present, not voting)

SB 1964 (143 Yeas, 1 Nays, 2 Present, not voting)

SB 1999 (142 Yeas, 0 Nays, 2 Present, not voting)

THE HOUSE HAS DISCHARGED ITS CONFEREES AND CONCURRED IN SENATE AMENDMENTS TO THE FOLLOWING MEASURES:

HB 2162 (124 Yeas, 20 Nays, 2 Present, not voting)

Respectfully,

/s/Robert Haney, Chief Clerk House of Representatives

SENATE RESOLUTION 1066

Senator L. Taylor offered the following resolution:

BE IT RESOLVED by the Senate of the State of Texas, 84th Legislature, Regular Session, 2015, That Senate Rule 12.03 be suspended in part as provided by Senate Rule 12.08 to enable the conference committee appointed to resolve the differences on House Bill 1842 (public school accountability, including the intervention in and sanction of a public school that has received an academically unsuccessful performance rating for at least two consecutive school years and the designation of a school district as a district of innovation) to consider and take action on the following matter:

Senate Rule 12.03(4) is suspended to permit the committee to add text on a matter which is not included in either the house or senate version of the bill in proposed SECTION 12 of the bill, in added Section 39.107(g-1), Education Code, to read as follows:

(g-1) If the commissioner orders alternative management of a campus under Subsection (d)(2), the school district shall execute a contract with a managing entity for a term not to exceed five years. The commissioner may require a district to extend the term of the contract if the commissioner determines that extending the contract on expiration of the initial term is in the best interest of the students attending the campus. The terms of the contract must be approved by the commissioner. If a campus receives an academically unacceptable performance rating for two consecutive school years after the managing entity assumes management of the campus, the commissioner shall cancel the contract with the managing entity.

Explanation: This change is necessary to ensure that the commissioner of education may require a school district to extend the term of a contract with a managing entity for the alternative management of a campus if the commissioner determines the extension is in the best interest of the students attending the campus.

SR 1066 was read and was adopted by the following vote: Yeas 26, Nays 5.

Yeas: Bettencourt, Birdwell, Burton, Campbell, Creighton, Ellis, Eltife, Estes, Fraser, Garcia, Hall, Hancock, Huffines, Huffman, Kolkhorst, Lucio, Nelson, Nichols, Perry, Rodríguez, Schwertner, Seliger, L. Taylor, V. Taylor, West, Whitmire.

Nays: Hinojosa, Menéndez, Uresti, Watson, Zaffirini.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 1842 ADOPTED

Senator L. Taylor called from the President's table the Conference Committee Report on **HB 1842**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator L. Taylor, the Conference Committee Report was adopted by the following vote: Yeas 26, Nays 5.

Yeas: Bettencourt, Birdwell, Burton, Campbell, Creighton, Ellis, Eltife, Estes, Fraser, Garcia, Hall, Hancock, Huffines, Huffman, Kolkhorst, Lucio, Nelson, Nichols, Perry, Rodríguez, Schwertner, Seliger, L. Taylor, V. Taylor, West, Whitmire.

Nays: Hinojosa, Menéndez, Uresti, Watson, Zaffirini.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 408 ADOPTED

Senator Menéndez called from the President's table the Conference Committee Report on **HB 408**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator Menéndez, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 313 ADOPTED

Senator Seliger called from the President's table the Conference Committee Report on **SB 313**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator Seliger, the Conference Committee Report was adopted by the following vote: Yeas 27, Nays 4.

Yeas: Birdwell, Burton, Campbell, Creighton, Ellis, Eltife, Estes, Fraser, Garcia, Hancock, Hinojosa, Huffman, Kolkhorst, Lucio, Menéndez, Nelson, Nichols, Perry, Rodríguez, Schwertner, Seliger, L. Taylor, Uresti, Watson, West, Whitmire, Zaffirini.

Nays: Bettencourt, Hall, Huffines, V. Taylor.

CONFERENCE COMMITTEE REPORT ON SENATE BILL 1999 ADOPTED

Senator Menéndez called from the President's table the Conference Committee Report on **SB 1999**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator Menéndez, the Conference Committee Report was adopted by the following vote: Yeas 31, Nays 0.

HOUSE CONCURRENT RESOLUTION 147

The President laid before the Senate the following resolution:

WHEREAS, House Bill No. 3184 has been adopted by the house of representatives and the senate and is being prepared for enrollment; and

WHEREAS, The bill contains technical errors that should be corrected; now, therefore, be it

RESOLVED by the 84th Legislature of the State of Texas, Regular Session, 2015, That the enrolling clerk of the house of representatives be instructed to make the following correction:

In added Article 56.22(b), Code of Criminal Procedure, strike "establishes a pretrial victim-offender mediation program" and substitute "implements a pretrial victim-offender mediation program established".

MENÉNDEZ

HCR 147 was read.

On motion of Senator Menéndez and by unanimous consent, the resolution was considered immediately and was adopted by the following vote: Yeas 31, Nays 0.

MOTION TO ADOPT CONFERENCE COMMITTEE REPORT ON HOUSE BILL 928

Senator Hinojosa again called from the President's table the Conference Committee Report on **HB 928**.

Question: Shall the Conference Committee Report on HB 928 be adopted?

Senator Hinojosa withdrew further consideration of the Conference Committee Report on **HB 928**.

CONFERENCE COMMITTEE REPORT ON HOUSE BILL 18 ADOPTED

Senator Perry called from the President's table the Conference Committee Report on **HB 18**. The Conference Committee Report was filed with the Senate on Saturday, May 30, 2015.

On motion of Senator Perry, the Conference Committee Report was adopted by the following vote: Yeas 30, Nays 1.

Nays: Burton.

CONFERENCE COMMITTEE ON HOUSE BILL 3474 DISCHARGED

On motion of Senator Schwertner and by unanimous consent, the Senate conferees on HB 3474 were discharged.

CO-SPONSORS OF HOUSE BILL 32

On motion of Senator Nelson, Senators Bettencourt, Hall, Hancock, and V. Taylor will be shown as Co-sponsors of **HB 32**.

CO-SPONSORS OF HOUSE BILL 1396

On motion of Senator Burton, Senators Hall and Rodríguez will be shown as Co-sponsors of HB 1396.

RESOLUTIONS OF RECOGNITION

The following resolutions were adopted by the Senate:

Memorial Resolution

SR 1063 by Menéndez, In memory of Edward Glenn Biggs.

Congratulatory Resolutions

SCR 52 by V. Taylor, Recognizing Jerry and Barbara Madden on the occasion of their 50th wedding anniversary.

SR 1062 by Menéndez, Recognizing the San Antonio Alumni Chapter of Kappa Alpha Psi, Incorporated, Guide Right Program.

Official Designation Resolution

SR 1067 by Seliger, Recognizing June 6, 2015, as Transverse Myelitis Awareness Day in Texas.

ADJOURNMENT

On motion of Senator Whitmire, the Senate at 9:30 p.m. adjourned until 10:30 a.m. tomorrow.

APPENDIX

BILLS AND RESOLUTIONS ENROLLED

May 30, 2015

SB 55, SB 108, SB 142, SB 202, SB 207, SB 287, SB 459, SB 630, SB 652, SB 740, SB 825, SB 866, SB 907, SB 995, SB 1004, SB 1034, SB 1073, SB 1309, SB 1317, SB 1364, SB 1367, SB 1369, SB 1459, SB 1510, SB 1574, SB 1593, SB 1624, SB 1750, SB 1812, SB 1824, SB 1867, SB 1913, SB 1928, SB 2002, SCR 49, SJR 5, SR 1038, SR 1039, SR 1041, SR 1042, SR 1043, SR 1044, SR 1045, SR 1046, SR 1047, SR 1048, SR 1049, SR 1050, SR 1051, SR 1052, SR 1053, SR 1054, SR 1055, SR 1056, SR 1057, SR 1059, SR 1060